



HOUSE OF COMMONS

LONDON SW1A 0AA

15th March 2021

Dear Constance,

RE: CORONAVIRUS - HOSPITALITY SUPPORT

Thank you for your recent correspondence in respect of support for hospitality businesses as we work to exit from COVID-19 restrictions; your comments upon which I have read with great interest.

I know that many hospitality businesses in Corby & East Northamptonshire, like elsewhere in the country, are experiencing serious challenges as a result of the COVID-19 outbreak. Thank you also for pointing out the Westminster Hall debate that took place on Monday 11th January. I am pleased that the Minister recognised the importance of the hospitality sector as hospitality businesses are often at the heart of our communities, providing jobs and places to enjoy companionship, all supporting good mental health and wellbeing, social cohesion and cultural integration.

As such, I welcome the publication of the Prime Minister's 'road map' to recovery which gives hospitality businesses the clarity they need to prepare for reopening in the months ahead, and additionally, I welcome the extra support announced in the Chancellor's 2021 Budget, unveiled at the start of March.

In step two of the 'road map', which will take place no earlier than the 12th April, outdoor hospitality service will reopen, with no requirement for a substantial meal to be served alongside alcoholic drinks, and no curfew. The requirement to order, eat and drink while seated ('table service') will remain in place. Overnight stays away from home in this country will also be permitted and self-contained accommodation will reopen, though must only be used by members of the same household.

In step three, which will be no earlier than the 17th May, all remaining accommodation can reopen, such as hotels, hostels and B&Bs. In addition, indoor hospitality can resume, with table service in place, and people can meet indoors socially in a group of six, or with one other household.

This is a huge step forward from the existing restrictions which require all hospitality venues to close, including cafes, restaurants, pubs, bars and social clubs, with the exception of providing food and non-alcoholic drinks for takeaway (until 11pm), click-and-collect and drive-through services. If a business offers delivery, they may continue to provide all food and drink via delivery, including alcohol.



To help support hospitality businesses through this difficult time, I welcome that decisive action has been taken and businesses have benefited from a combination of grants, funds, Government-backed loans and a Business Rates holiday. This has included business interruption loans, bounce back loans and the Coronavirus Job Retention Scheme (CJRS), which has supported 1.4 million hospitality jobs. I am pleased that the CJRS has been extended until the end of September.


Eligible closed hospitality businesses may also receive grants of up to £3,000 per month. Furthermore, in light of the England-wide restrictions, the Chancellor has announced additional grants for closed businesses in the retail, hospitality and leisure sector of up to £9,000. In the 2021 Budget, this went further and eligible businesses in the hospitality sector will receive a one-off Restart Grant of up to £18,000 to give these businesses the cash certainty they need to plan ahead and safely relaunch trading over the coming months.

In addition, the Chancellor listened to the calls from the hospitality sector to keep the temporary reduction in VAT (5 percent from 20 percent) for hospitality and tourism businesses, which had previously been extended until the 31st March 2021, in place until the 30th September 2021, when it will then change to 12.5 percent for the remaining six months until the 31st March 2022.

As there continues to be a high number of cases in some parts of the country, different restrictions need to be in place to reduce Coronavirus transmission and protect lives. Evidence indicates that the risk present in pubs and bars is higher than many other indoor settings, as people tend to be close to one another for a long time without face coverings. People also speak louder, generating more aerosols in sometimes poorly ventilated venues. The Scientific Advisory Group of Emergencies estimated that restrictions on pubs and restaurants would have a moderate effect on lowering transmission rates.

I know that the Chancellor has, and is, keeping the situation under close review to ensure that the most effective support is made available where necessary, and rather like I have throughout this pandemic, I will be sure to feed in local views and concerns as part of his deliberations. It is very welcome news, however, that there is now meaningful light at the end of the tunnel and the 'road map' charts a clear course back for the hospitality sector, with the right support in place to aid it being a success – something we all wish to see.

Once again, thank you for having taken the time to contact me and if I can ever be of any further assistance to you, then please do not hesitate to contact me again.

With best wishes,


TOM PURSGLOVE MP
MEMBER OF PARLIAMENT
CORBY & EAST NORTHAMPTONSHIRE